Office of the District of Columbia Auditor Releases Audit of Affordable Housing Mandates

Today, the Office of the District of Columbia Auditor (ODCA) released its audit of affordable housing mandates for development projects formerly managed by the dissolved National Capital Revitalization Corporation (NCRC) and Anacostia Waterfront Corporation (AWC). The Compliance Unit Establishment Act of 2008 requires the Auditor to audit “[r]equirements related to affordable housing mandates...”¹ related to those NCRC and AWC projects.

NCRC was created to encourage economic growth in the District of Columbia by selling off District-owned land to developers who would agree to provide community benefits in exchange for receiving the land at a reduced price.

This audit was conducted, in part, to review developer compliance with agreements to provide affordable housing made by some developers who purchased District-owned land.

Our audit found the processes used by developers to identify and qualify potential buyers and renters resulted in some affordable housing units being made available to individuals who did not qualify for housing based on their income and household size. The audit deficiencies resulted in lost housing opportunities for families in need of affordable housing.

The audit also sought to determine whether the Deputy Mayor for Planning and Economic Development (DMPED) effectively monitored developer compliance with agreements to provide affordable housing. We found that DMPED conducted limited oversight from 2007 to 2009, the years during which DMPED had responsibility for monitoring developer compliance. In addition, as of late 2010, the Department of Housing and Community Development (DHCD) had not developed a process for monitoring the compliance of developers with agreements to provide affordable housing units. This lack of oversight by the District government contributed to the shortcomings in developer compliance with agreements to provide affordable housing.

¹ D.C. Code § 1-301.181 (d) (7) (2012)
“We are pleased to note that DHCD has strengthened their oversight activity. Many of the problems identified in our audit have been addressed,” said Yolanda Branche, District of Columbia Auditor. “Should the District continue to negotiate similar agreements with developers, it is critical that DHCD maintains a rigorous oversight function. This will prevent the District from losing housing opportunities for families in need of affordable housing.”

Click here to view the report in its entirety. Visit dcauditor.org or call 202-727-3600 for more information about this report or the Office of the District of Columbia Auditor.

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